

Office of Consumer Protection (OCP)

Performance Plan

Contribution to Montgomery County Results

- A Responsive and Accountable County Government
- A Strong and Vibrant Economy
- Vital Living for all of Our Residents

Contribution of OCP

What OCP Does and for Whom	How Much
<p><u>Overall</u></p> <p>The mission of the Office of Consumer Protection (OCP) is to administer and enforce consumer protection laws prohibiting unfair and deceptive business practices in order to ensure integrity in our marketplace for consumers and businesses. OCP investigates and attempts to resolve consumer complaints involving home sales, improvements and mortgages; automobile sales and repairs; and other merchants and service providers in a manner that is both timely and fair.</p>	<ul style="list-style-type: none"> • Total FY09 Budget: \$ 2,662,290 • Total WY: 21.3 (21 Full time, 1 part-time positions)
<p><u>Complaint Investigation and Conciliation</u></p> <p>OCP receives inquiries and written complaints from consumers regarding a myriad of consumer transactions. Responses to inquiries are provided and written complaints are investigated in an effort to resolve disputes and ensure compliance with applicable laws.</p>	<ul style="list-style-type: none"> • \$877,136 (32.9% of Budget) • WY: 6.9 (32.4% of personnel)
<p><u>Law Enforcement</u></p> <p>OCP issues subpoenas and civil citations, executes settlement agreements, conducts administrative hearings, initiates legal action, and collaborates with the Police, State's Attorney, County Attorney, Attorney General, Federal Trade Commission, Postal Inspection Service, and other state and federal law enforcement agencies to enforce consumer protection laws.</p>	<ul style="list-style-type: none"> • \$569,674 (21.4% of Budget) • WY: 4.7 (22.1% of personnel)
<p><u>Consumer Education</u></p> <p>OCP leverages its ability to educate consumers by communicating via radio, television, and electronic and print media. OCP issues news releases, provides media requested interviews, and conducts presentations, public forums, and training sessions.</p>	<ul style="list-style-type: none"> • \$750,681 (28.2% of Budget) • WY: 6.1 (28.6% of personnel)
<p><u>Non-Core Mission Activities</u></p> <p>OCP administers a variety of consumer related programs, including serving as staff to the Commission on Common Ownership Communities (CCOC) which provides an alternative dispute resolution mechanism for the one-third of county residents living within home owner associations and condominium associations.</p>	<ul style="list-style-type: none"> • \$464,799 (17.5% of Budget) • WY: 3.6 (16.9% of personnel)

Performance¹

Measure 1:

Restitution received as a percent of restitution asked for by the consumer

(This measure will be broken down by the dollar amount in controversy.)

Under Construction

Measure 2:

Average customer satisfaction rating

Under Construction

Measure 3:

Average time to investigate and close a written complaint

- Sub-measure: Percent of cases closed within 90 days (OCP target)
- (This measure will be broken down by the dollar amount in controversy.)

Under Construction

Measure 4:

Percent of cases closed that are resolved* by OCP

(This measure will be broken down by the dollar amount in controversy.)

Under Construction

* Resolved cases include cases in which the consumer received a refund or partial refund, the service was performed or corrected, goods were delivered or replaced, an acceptable explanation was provided by the merchant, a warranty was honored, the merchant agreed to change its practice, or consumer obtained other requested relief.

Measure 5: Media Coverage

- Percentage of news releases receiving media coverage
- Number of instances when media outlets seek out OCP expertise
- Means by which consumers find out about OCP services

Under Construction

Measure 6:

Percent of CCOC cases that are resolved prior to mediation, at mediation, and at CCOC hearing

Under Construction

¹ All OCP headline performance measures are currently under construction as the department builds its data collection capacity. Data collection is anticipated to begin January 1, 2009.

Complaint Investigation and Conciliation

The Story Behind the Performance

Contributing Factors:

1. OCP's investigative staff handles different types of consumer complaints according to their specialties. Cases are generally assigned to investigators based upon expertise: automotive experts handle auto repair complaints, attorneys handle auto sales, leasing, and mortgage transactions, investigators knowledgeable in construction handle home sales and home improvement cases, and investigators familiar with financial issues handle credit complaints.
2. OCP's investigative staff maintains a working knowledge of numerous local, state, and federal consumer protection laws, and maintains contact with key business representatives in order to efficiently resolve disputes.
3. OCP's staff is dedicated to operating in a culture devoted to non-bureaucratic efforts to provide assistance to consumers and businesses.

Restricting Factors:

1. OCP's jurisdiction is broad and therefore OCP's investigative staff must be able to handle complaints regarding many different types of complex consumer transactions.
2. State and federal consumer regulatory agencies are experiencing limited resources and are less able to provide direct assistance to consumers. This has created increased demands on OCP to provide services to consumers.
3. When the economy experiences a slowdown, more firms go out of business, are less likely to voluntarily resolve complaints, and may take greater risks with deceptive marketing. At the same time, consumers are more apt to file complaints and cannot afford to waive their rights and remedies.
4. OCP's current complaint tracking and case management system is only able to maintain basic information, has no document scanning capabilities, and has only limited report generating features.

What We Propose to Do to Improve Performance

1. Provide sufficient in-service training programs to OCP investigative staff in order to ensure that staff is familiar with new local, state, and federal consumer protection laws.
2. Develop and maintain a comprehensive data base of referral and contact information regarding consumer related transactions.
3. Endeavor to improve our complaint tracking case management system by first establishing an electronic data collection system to record and document consumer inquiries received by telephone, email, and office visits.

Law Enforcement

The Story Behind the Performance

Contributing Factors:

1. OCP's ability to use its array of law enforcement tools as a last resort enables OCP investigators to resolve the majority of complaints through voluntary compliance.
2. Violations of civil consumer protection laws may also constitute violations of related criminal laws.
3. OCP's authority to issue administrative subpoenas to compel the attendance of witnesses and the production of documents generally enables OCP to conduct a thorough investigation.

Restricting Factors:

1. Providing assistance in the enforcement of criminal laws related to consumer protection transactions and "white collar" crimes is labor intensive and may require reviewing large volumes of documents and records.
2. The prosecution of criminal laws related to consumer protection transactions tends to receive lower priority with respect to the enforcement of violent crimes due to limited resources.
3. Only select OCP investigators are familiar with the criminal prosecution procedures.

What We Propose to Do to Improve Performance

1. Establish internal business rules and procedures regarding the issuance of subpoenas, civil citations, and settlement agreements to ensure uniformity and oversight.
2. Provide in-service training to OCP investigators regarding investigative skills.
3. Create a program for cross-training investigative staff to increase the number of OCP investigators familiar with criminal prosecution procedures.

Education

The Story Behind the Performance

Contributing Factors

1. Educating consumers to prevent them from having consumer protection problems is superior to trying to resolve consumer protection problems after they occur. (An ounce of prevention....)
2. OCP has established a longstanding commitment to work with news media to educate and warn consumers.

3. OCP's Advisory Committee on Consumer Protection has begun to focus on sponsoring public forums to disseminate information to consumers on topics including foreclosure issues and identity theft.

Restricting Factors

1. Diversity in our population means that no one form of communication or educational program will serve to reach all of our residents.
2. More consumers may be obtaining information via electronic forms of communication rather than from traditional sources.
3. The internet is a double-edged sword. While it can provide information to consumers, it also serves as a new medium for fraud and deception in the marketplace.

What We Propose to Do to Improve Performance

1. OCP staff will conduct "Look, Listen, & Learn" walking tours in different areas of Montgomery County to better understand the consumer protection needs and issues facing all of our residents.
2. OCP will explore opportunities to communicate and educate consumers via established email networks and ListServes.
3. OCP will work with the Office of Public Information to update and expand our news media contacts.

Non-Core Programs – Commission on Common Ownership Communities (COCC)

The Story Behind the Performance

Contributing Factors

1. OCP's reputation for efficiency and productivity is recognized by the County Executive's Office and County Council when a county agency needs to be selected to administer and enforce newly enacted laws.
2. The definition of a "consumer transaction" is expanding and enables OCP to interact with a greater number of residents.
3. A holistic approach to problem solving generally provides superior results, and these non-core programs provide OCP with greater perspective.

Restricting Factors

1. Disputes between residents of common ownership communities and their governing boards can be contentious and relatively trivial matters have the capacity to escalate into major problems.
2. One third of County residents now live in homeowner associations or condominium associations. This number continues to rise with new construction.

3. The increasing demands of staffing this alternative dispute resolution mechanism, and the growing number of other non-core programs, impacts upon OCP's capacity to address unfair and deceptive acts in the marketplace.

What We Propose to Do to Improve Performance

1. Develop an indexed and searchable data base of CCOC decisions so that residents and governing boards have access to the Commission's rulings regarding a variety of subjects that frequently are at issue.
2. Enhance the information available on the OCP/CCOC webpage.
3. Assign a different OCP investigator to each of the non-core programs to ensure that the workloads required by these tasks do not negatively impact OCP's performance regarding our core mission.

Partnerships and Collaborations

OCP collaborates extensively with many Montgomery County Departments, state and federal agencies, and non-profit organizations. For example:

- Police Department - OCP works with the Police Department regarding unlicensed home improvement contractors, financial fraud, towing, and providing in-serve training to police officers regarding counterfeit goods, merchant disputes, etc.
- Fire Rescue Service – OCP held a joint press conference with FRS to warn residents about purchasing unsafe electrical products for sale in Montgomery County.
- Housing & Community Affairs – OCP works with DHCA regarding foreclosure information and assistance, Moderately Priced Dwelling Unit warranty issues, landlord-tenant issues regarding room rental cases, credit counseling at the housing fair.
- Permitting Services – OCP works with DPS in licensing new home builders, warranty enforcement related to building codes, and preventing unlicensed contractors from receiving building permits.
- Sheriff's Office – OCP works with the Sheriff's office to safeguard consumers' possessions from being lost when a business is being evicted. OCP won a 2008 NACo award for these efforts.
- Health & Human Services – OCP works HHS Adult Protective Services to review used car sales and repair proposals for consumers receiving welfare avoidance grants.
- Regional Service Centers – OCP cosponsored "Shredding Days" to protect consumers from identity theft and has conducted "Look, Listen, & Learn" walking tours.
- Commissions for Women and Human Rights – OCP has cosponsored seminars regarding predatory lending and collaborated regarding the rights of domestic workers.
- State & Federal Agencies – OCP works closely with the Maryland Attorney General's Office, the Maryland Department of Labor, Licensing, and Regulation, the Federal Trade Commission, and other regulatory agencies regarding a variety of consumer protection issues.

Innovations

- **Estimated Property Tax Disclosure (Bill #24-07)**

This law requires sellers of homes to provide potential homebuyers with an estimate of what their property tax and other non-tax charges will be in the first full fiscal year after they purchase the home. This bill is designed to provide purchasers with a more accurate disclosure as to the costs associated with the purchase of a home. OCP worked closely with Montgomery County's Department of Technology Services (DTS) to develop an online calculator enabling sellers to more easily provide the disclosure information required by the law. In addition, OCP worked closely with representatives of the real estate industry to address their concerns and ensure the smooth implementation and administration of this new provision.

- **Outreach Campaign – Logo and Tagline**

OCP created and launched its first logo and tagline (in English and Spanish) to help achieve higher visibility and recognition in outreach campaigns. While we considered using a modern graphic symbol, such as a universal bar code or a computer screen as part of our logo, OCP adopted a back-to-basics handshake to symbolize the importance and sanctity of “*trust*” in every consumer transaction.

A. Budget

B. Implementation

C. Data Development Agenda